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SUBJECT: ALBANIA ON THE EVE OF NATO ACCESSION

Classified By: AMBASSADOR JOHN L. WITHERS II FOR REASONS 1.4 (B) AND (D).

¶1. (C) Summary: Albania will reach the April 3-4 Strasbourg summit less with a purposeful stride than with a pronounced limp. Widespread economic and political reforms that marked 2007 slowed to a crawl after Albania received its NATO invitation in April 2008. The GOA at the highest levels is plagued by scandal, including a major abuse of office case against the former Defense Minister for his alleged role in the Gerdec munitions explosion that killed 26 people. Allegations of corruption have also lapped perilously close to the Prime Minister's family. More importantly, the GOA has tarnished its commitment to democratic principles through heavy-handed assaults on the media, the judiciary, and other critics. Only a last minute ruling by the much maligned Constitutional Court saved the GOA from implementing a harsh anti-judicial law declared unconstitutional by European, American, and local legal experts. Preparations for the important June 28 elections -- declared a benchmark for maturity by NATO and EU nations -- are already falling well behind schedule, raising the specter of yet another flawed, even manipulated, vote. Given the likelihood of further GOA attacks on independent democratic institutions after Strasbourg and the increasing difficulties with election preparations, we urge that firm markers on adherence to the rule of law and on free and fair elections be incorporated into our warmer messages on NATO membership in Strasbourg. End summary.

A RELIABLE INTERNATIONAL PARTNER

¶2. (C) Albania rightfully shall receive full membership in the NATO alliance in three weeks, based on an initial record of domestic reform and a sophisticated foreign policy which is in full accord with our goal of regional stability in the Balkans. This steadfast U.S. ally has provided troop support in Iraq and Afghanistan, eliminated its chemical weapons stores in accordance with the Nunn-Lugar Act, and played an extremely constructive role in moderating radical tendencies among Albanian ethnic groups in neighboring states. In addition, its promotion of free market principles has, until the recent global economic slowdown, promoted some of the most rapid growth in the region. Albania has also served as a faithful partner of U.S. objectives in such international organizations as the IAEA and the OIC. All of these developments qualify Albania for full NATO membership.

...WITH A HOUSE NOT IN ORDER

¶3. (C) However, as of April 2008, when Albania received its NATO invitation in Bucharest, the country has taken a decided turn for the worse. Albania will enter the Alliance with the bright promises of the 2007 reform year distinctly dimmed. The momentum towards finalizing key elements of a free-market, democratic state based on the rule of law, have

slowed to a trickle. Lead by PM Berisha and Speaker of Parliament Josefina Topalli, the Prosecutor's office has come under severe attack. These tendencies came to a head when the government rammed the Lustration Law through parliament by a simple majority, straight party line vote. This law was purportedly designed to weed ex-Communists from sensitive government positions, but in fact it clearly targeted judges, prosecutors, and attorneys engaged in investigations and cases involving high level GOA officials on charges ranging from abuse of power to negligent homicide. The EU, COE, Helsinki Commission, OSCE, and USG all conveyed their strong objections to this clearly constitutionally flawed law in the strongest possible terms. The Secretary's timely intervention was key in preventing the law from being implemented as was the ruling by the much maligned Constitutional Court that postponed putting the law into effect until a thorough review of its provisions could be conducted. Only the actions of the international community and the Court saved the GOA from severely damaging its commitment to democratic principles and left its reputation for adherence to the rule of law at least partially intact.

PM BERISHA STILL REACTING TO GERDEC

¶4. (C) The proximate cause of the GOA's surprising turn was a series of investigations into the PM's inner circle of government. The current FM has been indicted for abuse of office for his alleged role in mismanaging a major road contract while serving as Transportation Minister. The Minister of Culture was fired in disgrace after being caught on tape soliciting sexual favors from a young woman in exchange for a job offer. Most potentially sensitive,

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however, is the indictment of former Defense Minister Fatmir Mediu for his purported role in a pirated munitions factory in the Tirana suburb of Gerdec which exploded one year ago, taking 26 lives and wounding 300 more. Dubbed the "Hurricane Katrina" of Albania, the Gerdec explosion has become the lightning rod for GOA corruption, callousness, and incompetence. The efforts to which the PM went to quash investigations into this episode have raised questions about whether there is truth to existing circumstantial evidence, not to mention widespread conventional belief, that members of his own family, including his son, are implicated in the tragedy. With the election looming in June 2009, the PM, who has already declared former Defense Minister Mediu innocent in advance of a trial, has raised questions about his motives in the affair. Compounding these actions have been GOA efforts to muzzle important media critics, including closing the printing office of the anti-GOA Tema newspaper in violation of a court order and threatening to displace the equally critical Top Channel TV station from its current location.

ELECTIONS PREPARATIONS FAR BEHIND SCHEDULE

¶5. (C) Beyond these problems, Albania faces potentially damaging troubles with its election. According to the new electoral code, in order to vote a citizen must present a valid passport or a voter ID card. The plans for issuing voter ID cards have been scaled back considerably due to poor planning and implementation and have been delayed three times already this year. At this point, less than 100 days before the election, the GOA has issued less than 100,000 IDs to the approximately 750,000 - 1,000,000 voters who do not have passports. GOA officials maintain that all voters without passports will receive voter ID cards. However with each passing day, that goal becomes harder to reach. Many rural Albanians cannot afford the EUR 10 fee nor can they afford the transport costs and time required to apply. In the event any voters are denied the right to vote because they lack IDs, the losing side will likely cry fraud. Concerns are also mounting about the potential for fraud at counting centers, as plans for installing video cameras at counting centers (as required by the new electoral code) lag behind.

LITTLE TO CHEER ON THE ECONOMY, EITHER

¶6. (C) An additional pressure is the gradual erosion of the Albanian economy. Estimates call for a significant drop in GDP this year although it could remain in positive territory. Remittances from abroad, which constitute approximately 14 per cent of GDP, have slowed dramatically. Meanwhile the GOA is seeking a loan from commercial banks to finance its budget deficit to, among other things, provide liquidity and pay for major road construction in this election year. Extravagant campaign promises to raise salaries and social benefits should suffer as a result of the deficit, but it is expected that the PM will spend as much as necessary with no regard for the long term economic health of Albania in order to win re-election in June.

TWO CRITICAL MESSAGES

¶7. (C) Comment: Albania's awful 2008 takes some of the sheen off what will still be a triumphal moment in Strasbourg. The GOA's unfortunate political decisions, however, have raised eyebrows among some of Albania's closest friends and are focusing greater scrutiny than might otherwise be expected on its actions in the coming months. Accordingly, first and foremost, we must firmly caution the GOA, and particularly PM Berisha, that there be no further backward steps against Albania's independent institutions subsequent to achieving full NATO membership. The Secretary's message to the PM in February calling for a strict adherence to the rule of law and constitutional principles still completely applies. Moreover, we must convey a clear message that free and fair elections which meet the standards expected of a full NATO ally are imperative. In all of our exchanges with senior GOA leaders, including at Strasbourg, we urge that these two critical points be raised on every possible occasion.

WITHERS